

Dore Schwinden
Director

Andy Poole
Deputy Director

Montana Department
of Commerce
301 S. Park Ave.
Helena, MT 59601

Montana Department of Commerce Business Resources Division Newsletter

FALL 2011

The Montana Department of Commerce has created this quarterly newsletter to update you on the status of our business resources financing programs and other program news. Contact information for each program is provided. Feel free to contact any Business Resources staff when you have questions about our programs, or to discuss potential applications.

MADE IN MONTANA Marketing Targets Native American Made Products

(HELENA) –Montana's popular **MADE IN MONTANA** marketing program now features a **NATIVE AMERICAN MADE IN MONTANA** logo label specifically created to promote Native American made products.



NATIVE AMERICAN MADE IN MONTANA logo labels are available to enrolled members of Montana tribes by contacting the **MADE IN MONTANA** program at 406-841-2757 or madeinmontana@mt.gov. Montana producers are only eligible to use logo labels on their products by participating in the **MADE IN MONTANA** program.

"Each year, approximately 10 million visitors come to Montana and while they're here, they spend billions of dollars," said Dore Schwinden, Director of the Montana Department of Commerce. "Our research shows about 25 percent of those dollars are spent on retail gift and grocery items. We also know visitors want "authentic" Montana products. The **NATIVE AMERICAN MADE IN MONTANA** logo label is the perfect marketing tool to help Native American made products stand out from the crowd."



Native American Made in Montana Billboard Campaign:

The ICED Program has partnered with the Made in Montana Program to jointly promote participation in the Native American Made in Montana product identification and consumer awareness. The Native American Made in Montana labeling program is the only state-sponsored product identification program of its kind in the nation. Billboards promoting Native American Made in Montana have gone up on or very near all of the reservations and will remain up through October 2011. This billboard campaign was accompanied by a media release to all of the Tribal newspapers. Registration for the program can be accessed through <http://www.madeinmontanausa.com/Producers.asp> or by contacting Shari Hunter-Brownlee at (406) 841-2757 or by emailing madeinmontana@mt.gov.

Information

State Tribal Economic Development Commission

State Tribal Economic Development
Commission (STEDC)
Ph: 406-841-2821
Email: jsmith@mt.gov
Website: <http://tribal.mt.gov>



Jason Smith
Program Manager

The State Tribal Economic Development Commission (STEDC) has taken the necessary steps to work with Tribes create more jobs and economic development opportunities. STEDC is dedicated to working with the Montana Tribal governments to assist, implement, update, educate and facilitate Tribal Secured Transaction Laws. STEDC understands the importance of the transaction laws. The laws will build sound legal and business infrastructure for tribal governments, tribal enterprises, privately-owned businesses, and consumers to accommodate their growing cross-border commercial activity. The tribal secured transaction laws are intended to provide access to affordable credit, encourage more lenders and businesses to support economic development opportunities in Indian Country, and allow Tribes to exercise their sovereignty by establishing its rule of law governing business transactions. STEDC is committed to enhance economic development opportunities for their businesses and people.

Finance

Indian Country Economic Development Program

Indian Country Economic Development (ICED) Program
Phone: 406-841-2775
Email: hsobrepena@mt.gov
Website: <http://iced.mt.gov>



Heather Sobrepena-George
Program Manager

Availability of FY 2012 ICED Funds: The Indian Country Economic Development (ICED) Program offers economic development assistance to the eight tribal governments in Montana in the form of grants to the tribal governments, referral to other economic development resources, and technical assistance to tribal governments, tribal enterprises, and individually-owned tribal businesses. The fiscal year 2012 ICED funding is available for application from July 1, 2011 through March 31, 2012. Eligible tribal governments can apply for funds to promote activities that include: business development, workforce training, entrepreneurial training, feasibility studies, and other priority economic development activities as determined by the tribal government. Application guidelines and forms can be found on the ICED Program website at: www.iced.mt.gov. Questions can be directed to the Program Manager at hsobrepena@mt.gov or by phone at (406) 841-2775.



Blackfeet Small Business Owner Grant Chewing Blackbones Campground:

Seven small business owner grants were awarded to Indian-owned businesses on the Blackfeet Reservation in the amount of \$10,000 each. An additional \$10,000 was used to fund a campground host and physical improvements to the Chewing Blackbones Campground, located on the east shore of St. Mary's Lake on the Blackfeet Reservation.

Rocky Boy Veteran's Work Project & Economic Development/Fiscal Collaboration Strategic Planning: \$70,000 in ICED funding provided the recruitment, training, and retention of a Rocky Boy Veteran's Coordinator position responsible for assisting veterans in obtaining services and accessing VA benefits. An additional \$10,000 was used for the development of an organizational strategy to better integrate the functions between tribal administration, the Economic Development Office, tribal enterprises, and the comptroller/grant management functions of the Finance Office.

Confederated Salish & Kootenai Tribes: \$ 45,000 will become grants of up to \$7,000 each available to individual tribal business owners. \$25,000 will be utilized to retain staff to provide the initial screening of the tribal business owner grants as well as to complete an inventory of tribally owned properties and to provide technical assistance to businesses through lot development cost estimating and environmental reviews. Additionally, an inventory of tribal properties suitable for commercial development for individual businesses and tribal business ventures will be conducted for \$10,000.



Apsaalooke Nation Revolving Loan Fund: ICED funds will continue to grow the capacity, technical assistance, outreach, and principle of their Revolving Loan Fund. The Crow Economic Development Office is in the process of seeking certification as a Native Certified Economic Development Financial Institution (CDFI) to increase their lending capacity and services to the Crow membership.

Smokehouse Java and Smokehouse Grocery: The Fort Belknap Indian Community is funding two ventures through Island Mountain Development Group, a small coffee venture, Smokehouse Java, serves coffee and espresso drinks, ice cream, and baked items. Smokehouse Grocery will soon open next to the Smokehouse Grill and will offer staple items as well as local Made in Montana, Native American food and sundries, household items, and locally available seasonal produce. The grocery will also offer online sales of specialty items featuring Little River Smokehouse specialty meats and locally handcrafted items.

Small Business Owner Grants/ Oilfield Services Feasibility Study/ Summer Workers: The Fort Peck Assiniboine & Sioux Tribes have utilized \$23,935 to procure an Oilfield Services Feasibility Study to be performed by the Montana Manufacturing Extension Center. \$35,000 will be used for the development of a Fort Peck Tribe sponsored small business owner fund and will utilize the technical assistance of the Montana Department of Commerce Entrepreneur Development Program. \$26,065 has been used to retain temporary summer workers for rail spur cleanup, data entry, and to perform community surveys.

Northern Cheyenne Arts, Crafts, and Tourism Development: Services at the Arts and Crafts Center located in Lame Deer, Montana will expand to include tourism services. Two part-time Northern Cheyenne Arts and Craft Center positions will staff the facility and provide day-to-day management of the building, facility, vendors, and inventory. A part-time Tourism Coordinator position will work to develop and facilitate the tourism opportunities at Northern Cheyenne. An additional \$10,000 in funds will be used to develop marketing and signage, tourism brochures, and to purchase additional inventory for the Arts & Crafts Center. The Northern Cheyenne Arts, Crafts, and Tourism Center is located at the junction of US-212 and State Highway 93.

Information

Census and Economic Information Center

Phone: 406-841-2740
Email: mcraigle@mt.gov
Website: <http://ceic.mt.gov>



Mary Craigle
Bureau Chief

Low-to-Moderate Income Levels

A number of federal and state programs use individual or household income thresholds to determine program eligibility including:

- US Department of Agriculture (USDA) for home loans.
- US and Montana Departments of Health and Human Services (HHS) for a number of programs including Medicaid, Healthy Montana Kids (HMK), and Women, Infant and Children (WIC) services.
- Office of Housing and Urban Development (HUD) for home purchases, owner-occupied rehabilitation and improvements, lead paint hazard reduction, residential rental and other services.
- Internal Revenue Service (IRS) for partner outreach for non-profits that work with low-to-moderate income populations.

Each of these programs sets its own eligibility thresholds which are calculated from a number of factors some of which come from US Census Bureau's American Community Survey (ACS). The ACS replaced the Census long form and, unlike the decennial long form, the ACS is mailed to 3 million households every year. The ACS captures 60+ questions in 11 topic areas. New estimates for all communities are available every year. Data users need to use caution when comparing ACS and Census 2000 data since the methodology for collecting the information changed from a single point in time to sampling over time. In particular, much of the income information reported for college and resort areas is not comparable between the two surveys. **Contact CEIC for information and questions about the ACS.**

For example, federal poverty threshold and guideline measurements used by HHS are updated each year. In determining the current year levels, the ACS information used for these guidelines includes household income, size of family, and number of related children under 18. For 2011, the HHS Federal Poverty Guideline for a family of 4 was \$22,350 in annual income.

It is important to recognize that each agency has its own eligibility standards and that no one number exists that defines low-to-moderate income for a given geography for all programs.

Technical Assistance

Montana Small Business Development Center

Montana Small Business Development Center
Phone: 406-841-2746
Email: adesch@mt.gov
Website: <http://sbdc.mt.gov>



Ann Desch
SBDC State Director

Updates

- The Kalispell Chamber will not be renewing their contract to host the SBDC in 2012. An RFP is being issued by the Department to host the SBDC in Flathead, Lake, and Lincoln counties.
- New SBA District Office Director, Joe McClure.
- SBA is/has opened and closed recently several disaster assistance offices to assist with physical damage and economic injury to businesses. The SBDC can point clients in the right direction for assistance. Please see the www.sba.gov for deadlines to apply for assistance.

Finance

Community Development Block Grant Economic Development Program

Community Development Block Grant
Economic Development (CDBG-ED)
Ph: 406-841-2732
Email: karyl@mt.gov
Website: <http://cdbged.mt.gov>

\$2.1 million available



Reload Facility/Genesis, Inc.
Lincoln County

Lincoln County/Genesis, Inc.

Lincoln County received \$370,000 to construct a rail reload facility that will be used by Genesis, Inc. The original transfer facility was destroyed by fire in 2010. This will allow Genesis to hire 14 employees. Matching funds was provided by the County, the Port Authority, Genesis, and EPA.

Finance

Primary Sector Workforce Training Grant Program

Primary Sector Workforce
Training Grant (WTG)
Ph: 406-841-2744
Email: nguccione@mt.gov
Program Website: <http://wtg.mt.gov>



Nancy Guccione
Section Manager

**Contact Program Staff for
Funding Availability**



In June, 2011 Sidney Sugars was awarded \$69,763 from the Primary Sector Workforce Training Grant Program. The funds are to be used to provide extensive training to 55 full-time non seasonal workers. Sidney Sugars is located in Sidney, Montana and is a subsidiary of American Crystal Sugar Company. The Sidney sugar beet factory contracts about 40,000 acres of sugar beets into the factory. Products made at Sidney Sugars are marketed through United Sugars and Midwest Agri-Commodities. Sidney Sugars' Sidney plant employs about 239 full- time and seasonal positions.

Technical Assistance

Montana Technology Innovation Partnership

Montana Technology Innovation Partnership
Phone: 406-841-2749
Email: cbell@mt.gov
Website: <http://mtip.mt.gov>



Christine Bell
Program Manager

Congratulations to Dr. Kathleen Humphries, a Research Associate with the University of Montana's Rural Institute on Disabilities, for her Small Business Innovation Research (SBIR) Phase I win with the U.S. Department of Education. Dr. Humphries's university spin-off company, Good Nutrition Ideas, will be focusing on the feasibility of disseminating nationwide the company's novel nutrition system, *MenuChoice*, designed to improve food systems in group homes leading to better weight management, better gastrointestinal health, and better dietary intake for the residents.



MTIP counselors worked closely with Dr. Humphries providing Good Nutrition Ideas with technical assistance regarding intellectual property and strategic licensing. MTIP also helped Dr. Humphries with proposal development, including assisting with locating a SBIR topic that would fit her innovative research, reviewing her proposal and assisting with budget revisions.

Finance

Montana State Small Business Credit Initiative Program (MT SSBCI)

Montana State Small Business Credit Initiative Program (MT SSBCI)
PH: 406-841-2594
Email: cjones@mt.gov
Website: <http://mtssbci.mt.gov>



Carolyn Jones
Section Manager

The State has received \$12.6 million in funding from the US Department of Treasury to participate in new small business lending. MT SSBCI will assist new Montana businesses entering the market and existing businesses that need additional loans to expand or stabilize their businesses. Loans can be used for real estate, working capital, lines of credit, and activities related to non-speculative new business.

Update: The new Montana State Small Business Credit Initiative Program has committed \$1.8 million to date for six loans to businesses in Bozeman, Great Falls, Havre, Kalispell, and Missoula. The loans range in amounts from \$100,000 to \$490,000.

Applications are accepted on a first come first serve basis until the full \$12.6 million allocation is spent. Please see the program's website at <http://mtssbci.mt.gov> for more information including a list of the nine approved participating economic development organizations throughout the state who can submit an application to the program.

Finance

MicroBusiness Finance Program

MicroBusiness Finance Program (MBDC)

Phone: 406-841-2751

Email: jwannebo@mt.gov

Website: <http://businessresources.mt.gov/MBFP>



Janice Wannebo
Program Manager

The MicroBusiness Finance Program (MBFP) recently issued a Request for Proposal (RFP) seeking non-profit economic development organizations interested in becoming a certified MicroBusiness Development Corporation (MBDC) in areas that are not currently served by the Program. The organization must have the capacity to provide management training, technical assistance and access to capital for the start-up or expansion of a business with less than 10 full-time employees. The MBFP has approximately \$900,000 available to lend to certified MBDCs. A total of four (4) proposals were received. The Department anticipates the selection process should be completed no later than the end of October 2011.

Finance

Big Sky Economic Development Trust Fund Program

Big Sky Economic Development Trust Fund (BSTF) Program

Ph: 406-841-2744

Email: nguccione@mt.gov

Program Website: <http://bstf.mt.gov>



Nancy Guccione
Section Manager

**Contact Program Staff for
Funding Availability**



The City of Hamilton has been awarded a grant from the Big Sky Economic Development Trust Fund Program (BSTF) in the amount of \$240,000 to assist GlaxoSmithKline (GSK) Biologicals with the purchase of equipment. The total project cost is \$480,000 and BSTF funding is contingent upon the company hiring up to 32 employees over a 24 month period. The new hires will work primarily in the manufacturing center of the Hamilton facility in Ravalli County where unemployment hovers near 10%. The University of Montana and Bitterroot Job Service held career fairs for GSK this summer to initiate the hiring process and will continue to provide support as positions become available.

GSK's Hamilton facility produces a key component used in GSK vaccines to prevent cervical cancer, hepatitis B, and several clinical vaccines including malaria, shingles, lung cancer and melanoma.

Finance

**Montana Board of Research and
Commercialization Technology**

PH: 406-841-2760

Email: ddech@mt.gov

Website: <http://businessresources.mt.gov/MBRCT>



Dave Desch
Executive Director

**Montana Board of Research and Commercialization Technology
Commercialization Success Story**

Collaborative Research Applications of Innovative Protein Fluorescence Lifetime Spectrometer



Dr. Greg Gillispie is President and Founder of Fluorescence Innovations (FI) <http://www.fluorescenceinnovations.com>. The company, located in Bozeman, develops and markets instrumentation for the rapid and precise determination of fluorescence lifetime waveforms in biological systems.

FI has expanded applications for its innovative fluorescence lifetime spectrometer that was developed in part with an Montana Board of Research and Commercialization Technology (MBRCT) grant awarded in 2009 for \$200,000. The University of Colorado (CU) has purchased an ultraviolet fluorescence lifetime spectrometer that operates in microplate mode from FI. CU will use it for in-house studies to demonstrate how the instrument can identify conditions favorable for crystallization of membrane proteins. CU, CalTech, and the Scripps Institute have been awarded an \$11.5 million, five-year grant to establish the Center for X-ray Structure Determination of Human Transporters. The work enabled by the FI instrument is a key element of this grant. CU and FI are in the process of establishing a formal collaborative development agreement. A 90-second YouTube video of the plate reader in action can be viewed at the FI website <http://www.fluorescenceinnovations.com>.

The Montana Board of Research and Commercialization Technology (MBRCT) was created by the 1999 Montana Legislature to provide a predictable and stable source of funding for research and commercialization projects to be conducted at research and commercialization centers in Montana. The purpose of the program is to encourage economic development through investment in research projects that have a clear path to commercialization.

Technical Assistance

Office of Trade and International Relations

PH: 406-841-2783

Email: lstimac@mt.gov

Website: <http://businessresources.mt.gov/TIR>



Lonie Stimac
Senior Marketing Officer

You can now find the *Made in Montana* program on [Facebook](#). We are using the page to connect people wanting authentic Montana products with the people who produce them. It is also a great way to make program announcements, give kudos to successful companies and to help our members talk to each other and provide us with feedback. It also helps drive people to our website which houses the Made in Montana Online Products Directory (www.MadeinMontanaUSA.com). Since launching the page in July we have had 367 people "Like" us. In Facebook-ese that means they want to receive any posts we do about the program as well as tell us what they are thinking.

Check us out at www.facebook.com/MadeinMontanaUSA and don't forget to "Like" us if you want to know more about us! Other Department of Commerce programs utilizing Facebook are the Montana Office of Tourism found at www.facebook.com/visitmontana and the Montana Film Office found at www.facebook.com/montanafilmmoffice.



Reminder: TRADE SHOW ASSISTANCE PROGRAM HAS FUNDS AVAILABLE

Don't forget about the Commerce Trade Show Assistance Program. It offers Montana companies attending wholesale out-of-state trade shows 50% reimbursement of their trade show marketing expenses (booth fees, equipment, brochures, signs, freight, other) up to a total of \$2000. For more information go to www.MadeinMontanausa.com/TSAGuidelines.asp or contact Lonie Stimac at lstimac@mt.gov or 406-841-2783.

Finance

Montana Wood Products Revolving Loan Fund

Montana Distressed Wood Products Industry
Recovery and Stabilization (WPIRS) Program

PH: 406-841-2594

Email: cjones@mt.gov

Program Website: <http://recovery.mt.gov/commerce/wpirs>



Carolyn Jones
Section Manager



Pyramid Mountain Lumber
Seeley Lake, MT

In August 2009, Pyramid Mountain Lumber, Inc. received a \$1 million State WPIRS loan and a \$1 million EDA WPIRS loan. They used the funds to purchase saw logs in order to continue sawmill and planer operations.

With the WPIRS loans, Pyramid Mountain Lumber hoped to retain 105 jobs and create 36 new jobs. As of June 30, 2011 they have 158 employees. Since the summer of 2009, Pyramid has exceeded its hiring goal and has increased its annual payroll by \$1.75 million.

The State and EDA WPIRS programs accept applications as long as funding is available. Currently, the State WPIRS program has \$435,900 available for lending and the EDA WPIRS program has \$211,600 available for lending. Please see the programs' website at <http://recovery.mt.gov/commerce/wpirs> for more information.

Technical Assistance

Certified Regional Development Corporations

Certified Regional Development Corporations

Phone: 406-841-2751

Email: jwannebo@mt.gov

Website: <http://businessresources.mt.gov/CRDC>



Janice Wannebo
Program Manager

Janice Wannebo was recently appointed as the Program Manager for the Certified Regional Development Corporation (CRDC) Program. Janice will continue to manage the MicroBusiness Finance Program and provide Administrative Assistance to the Economic Development Advisory Council.

In August, the Montana Department of Commerce presented each CRDC with a plaque recognizing their economic development organizational capacity. CRDC's have drawn down their assistance grants through June 30th for administering economic development activities related to their strategic plans. The Department reviews CRDC performance on a quarterly basis for continued program certification of the CRDCs.

Other Business Assistance Programs

Montana Finance Information Center

Contact: Karyl Tobel

Phone: 406-841-2732

Email: karyl@mt.gov

Website: <http://www.mtfinanceonline.com>

Entrepreneur Montana

Indian Equity Fund (Grant assistance to Native American owned businesses.)

Contact: Philip Belangie

Phone: 406-721-3663

Email: pbelangie@mt.gov

Website: <http://entrepreneur.mt.gov>

Export Montana (Helps Montana companies compete globally)

Contact: Sara Warren

Phone: 406-841-2754

Email: exportmontana@mt.gov

Website: <http://exportmontana.com>